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For Immediate Release

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Council Authorizes \$1.3 Million in Job Creation Incentives

MONTPELIER, Vt. – The Vermont Economic Progress Council has approved nearly \$1.3 million in job creation incentives for three companies that will create almost 300 new jobs, bolstering the state's knowledge-based economy.

At its meeting Thursday the Council reviewed and approved applications under the new Vermont Employment Growth Incentive (VEGI) program, making three companies – computer chip developer Qimonda, snowboard and apparel manufacturer Burton, and high tech equipment supplier New England High Purity, Inc. - eligible to receive up to \$1,286,159 in job creation incentives.

“The incentives will help ensure that these companies, who represent the kind of businesses we all want in Vermont, remain and grow here successfully,” said Karen L. Marshall, Chair of the Vermont Economic Progress Council. “These are clean businesses, creating high-paying jobs with great benefits. Our new economic incentive program is supporting opportunities that will put more Vermonters to work in the creative - or knowledge-based - economy.”

Qimonda North America Corporation of Williston was authorized for \$209,664 in economic incentives to add new engineering jobs and invest in new machinery and equipment.

The company is a division of a multinational memory chip development company headquartered in Munich, Germany, with U.S. headquarters in North Carolina.

The center in Williston, which develops Dynamic Random Access Memory chips for mobile electronic devices such as MP3 players and cell phones, has outgrown their facility and Qimonda is considering Vermont and other locations for future growth.

Burlington's Burton Corporation was authorized for \$968,022 in economic incentives to add new product development, design, testing, engineering, and other jobs and expand their international headquarters.

“Burton's heritage is in Vermont and the mountains and natural resources here provide an ideal environment for our business,” says Laurent Potdevin, Burton's Chief Executive Officer. “In addition, the State has always supported our goal of growing the sport and bringing great jobs to Vermont.”

Burton has led the snowboard industry since its inception and is now a multifaceted action sport equipment and apparel company with locations worldwide, including headquarters in Vermont and facilities in California. The company is recognized for its unconventional employee benefits, including progressive new parent policies and season passes to several Vermont resorts.

The company expects substantial growth and is constantly evaluating their business strategy, especially in regards to expansion and location, to remain competitive in the global marketplace. Burton has expanded in California through its acquisition of several west coast brands.

Williston-based New England High Purity, Inc., was authorized for \$108,873 in economic incentives to create new highly skilled production jobs and invest in machinery and equipment.

NEHP designs and manufactures modular equipment to very high specifications for the semiconductor fabrication, pharmaceutical, bio-technology and other industries.

The systems are built to customer specifications and at extremely strict standards for tolerance, dimension, sterility and clean-ability.

“This is a tremendous incentive for NEHP, Inc.,” said Adam Tarr, the company CEO, “We recognize the importance that the VEGI program contributes to Vermont clean companies. This is inspiring and valuable to excel NEHP to the next levels of success.”

Under reforms passed by the General Assembly and signed into law by Governor Jim Douglas last year, the VEGI economic incentives were authorized based on job creation and capital investments that must occur before the company receives payment over a period of years.

The previous program had companies earning tax credits that were applied against future tax liability.

The Council approved the applications after reviewing nine guidelines and applying a rigorous cost-benefit analysis that showed that because of the economic activity that will be generated by these projects, even after payment of the incentives, the State will realize a net increase in revenues of \$3,764,729.

The Council also determined that these projects would not occur or would occur in a significantly different and less desirable manner if not for the incentives being authorized.

The Vermont Economic Progress Council is an independent board consisting of nine Vermont citizens appointed by the governor that considers applications to the state’s economic incentive programs.

The Council is attached to the Vermont Agency of Commerce and Community Development, whose mission is to help Vermonters improve their quality of life and build strong communities.

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